



AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good afternoon,

Have you registered for the 2011 [Arizona Governor's Conference on Tourism](#)?

Be sure to register by June 17 to take advantage of the Early Bird Rate for this leading industry event! Designed to deliver the latest industry-related information for Arizona hotels, restaurants, attractions and communities to enhance and strengthen destination marketing programs, this conference is a can't miss event!

The theme for this year's conference will focus on Arizona's upcoming Centennial Celebrations.

The Arizona Governor's Conference on Tourism provides valuable networking opportunities, professional development sessions, nationally recognized speakers, a dedicated sponsor exhibit area and the Governor's Tourism Awards Luncheon. The conference will be held July 13-15 at the [Doubletree Paradise Valley Resort](#) in Scottsdale.

Register online and find out more information on conference sessions, speakers, sponsorships and silent auction at www.aztourismconference.com

Have a great week.

Sherry Henry
Director, Arizona Office of Tourism

AOT News

Do you want fries with that?

The Arizona Office of Tourism is proud to present the next installment of the **Arizona Tourism University** workshop series: *"Do you want fries with that?"*

Lead by Shannon Chambers, President and Founder of Service by Design, *"Do you want fries with that?"* is an informative workshop series that focuses on the value of great customer service. Are your employees creatively customizing their interactions with your guests? Or are they just "order takers"? What's the universal message that is being sent out by your team? What first (and possibly last) impression(s) are your guests walking away with?

Chambers has more than 17 years' experience in hotel and resort operations management, as well as staff training and development. She helps businesses identify the hidden potential in their employees as well as reach their goals of service and guest satisfaction.

These Arizona Tourism University workshops are ***complimentary!***

Space is limited, so sign up today by [clicking here!](#)

The workshop will be held:

June 8

9:30-12:00 p.m.

[Blazin' M Ranch](#)

1875 Mabery Ranch Road
Cottonwood, AZ 86326

June 9

9:30-12:00 p.m.

[Moenkopi Legacy Inn & Suites](#)

Junction 160 & 264
Tuba City, AZ 86045

June 15

9:30-12:00 p.m.

[Tohono Chul Park](#)

7366 North Paseo del Norte
Tucson, AZ 85704

June 16

2:00 p.m.

[Webinar](#) - Please use the link provided to sign up for the Webinar:

<https://www1.gotomeeting.com/register/777290089>

Arizona Office of Tourism

Register by visiting AOT's online workshop registration webpage at
<http://www.azot.gov/marketing-programs/arizona-tourism-university/workshop-registration>.

New Update to AOT's Research Web site!

The following items have been updated in the Research and Statistics section of AOT's business-to-business Web site www.azot.gov.

- [National, Regional, Arizona Lodging April 2011](#)
- [County Lodging April 2011](#)
- [Gross Sales & Tourism Taxes March 2011](#)

For additional information or questions, please contact Melissa Elkins, Research Manager, at 602-364-3716 or via e-mail at melkins@azot.gov.

Register for the 2011 Governor's Conference on Tourism!

Registration is now open for the 2011 [Governor's Conference on Tourism](#)! This event is the premier educational and networking gathering for the travel and tourism industry. It is filled with practical ideas from the industry's top experts that you can take back to your community and immediately apply to your program of work. You'll get the latest hospitality and tourism information, network with more than 500 of your colleagues, learn about products and services from exhibiting sponsors, and get the latest industry research available. To register, visit www.aztourismconference.com.

Calling all 2012 Events

AOT is collecting all 2012 event dates for the Arizona Calendar of Events. Please identify the exact dates of your events, details can be sent at a later date if not yet confirmed. Submit your items by **Wednesday, June 1**. If you have not sent your calendar information for the rest of 2011, please send this as well. For more information, contact Marjorie Magnusson at 602-364-3695 or via e-mail at mmagnusson@azot.gov.

Arizona Calling – Share Something Amazing!

AOT, in collaboration with the Governor's Task Force on Tourism and Economic Vitality, has launched "[Arizona Calling – Share Something Amazing](#)," an ePostcard campaign featuring iconic Arizona images. The ePostcard campaign features vibrant imagery of the Grand Canyon State that gives residents and travelers the opportunity to share Arizona's beauty with others. With customizable messages, email ePostcards can be sent to friends and family around the globe at no cost. Built to be an on-going campaign, the images of the ePostcard will change periodically to reflect Arizona's seasons and activities. The ePostcard is available through Arizonaguide.com.

Get your Summer Travel Packages and Deals on Value AZ.com

The new landing page is up for [Value AZ.com](http://ValueAZ.com), but we still need your travel packages and deals! The campaign has official launched this week with the placement of radio ads and traditional media. The ads showcase the amazing summer travel opportunities found throughout Arizona in addition to promoting the economic benefits of the travel and tourism industry. **To celebrate the Arizona Centennial, coming up February 14, 2012, we're also asking that deals and packages supplied use the Centennial theme whenever possible.**

If you want your summer travel packages or deals promoted through ValueAZ.com, this is your chance! Upload your travel deals and packages to the Travel Deals section of AOT's consumer Web site, <http://www.arizonaguide.com/arizona-tourism-partners>. You must first sign up to be

a Travel Partner on www.Arizonaguide.com before you can list a travel package or deal. There is no charge to list a package on the Travel Deals section. If you have questions or need additional assistance, please contact Sandy Pederson at 602-364-3698 or via email at spederson@azot.gov.

Arizona Centennial News

Arizona Centennial Commission Breaks Ground for Centennial Way

The city of Phoenix, in partnership with the Arizona Department of Transportation and the Arizona Centennial Commission, broke ground today on a project that will become the new Centennial Way, a highly-anticipated \$7.1 million project to transform Washington Street between Central and 19th avenues, with major improvements to be focused upon the area between 7th and 16th avenues.

The bulk of the project is slated for completion in December, with final landscape elements installed by Arizona's Centennial on February 14, 2012.

The streetscape project is primarily funded by a federal transportation enhancement grant, with the remainder provided by the city of Phoenix. The improvements will deliver a facelift to a streetscape that acts as an unofficial gateway to the Arizona State Capitol complex. It will complement shade and design initiatives already underway by the city of Phoenix, and is designed to greet the millions of visitors to Wesley Bolin Plaza, the Capitol Museum and other historic landmarks, monuments and architecture throughout the Capitol Mall area.

Once complete, the revived arterial leading to Arizona's seat of government will become a point of historical significance itself. All of this, and just in time for a unique moment in state history: Arizona's 100th Statehood Day.

"When Centennial Way is completed, it will be the result of several visionary stakeholders coming together to create a streetscape of which Arizonans can be proud," said Governor Jan Brewer, who led groundbreaking festivities. "It will be a noteworthy thoroughfare leading to our state's capitol and to downtown Phoenix as well, and incorporate elements of our state's culture and diversity from every corner of Arizona. It will be a fitting tribute to our 15 counties and our 22 Native American tribes. The result, I believe, will be an improvement that is fitting as we approach Arizona's 100 years of statehood."

The major improvement project is slated to include: widened, decorative sidewalks and defined crosswalks; accessibility-compliant curb ramps; bike lanes; enhanced street and pedestrian lighting; benches and 'wayfinding' signage; shade canopies; displays that feature Arizona's 15 counties; and historical signage. A "Tribal Walk" will reflect Arizona's 22 Native American Tribes, and the shade canopy design will provide cooling comfort as well as seating and historical information. For more information, visit <http://centennialwayaz.com/>.

Upcoming Events & Activities

ATU Workshop

Dates: June 8

Location: Blazin' M Ranch

ATU Workshop

Dates: June 9

Location: Moenkopi Legacy Inn & Suites

Governor's Conference on Tourism

Dates: July 13-15

Location: Doubletree Paradise Valley Resort, Scottsdale

Industry News

Corporation for Travel Promotion Names CEO

Last week, the Corporation for Travel Promotion named Jim Evans, a longtime leader in the hospitality industry, its first CEO. Evans will be responsible for leading the Corporation's efforts to promote the United States as a travel destination and strengthen the U.S. tourism industry. Each overseas visitor to America spends an average of \$4,000 per trip on hotels, restaurants, attractions, retail and other activities. Evans will be formally introduced to the industry and the media at International Pow Wow, the travel industry's premier international marketplace taking place in San Francisco on May 21-25.

The Travel Promotion Act, which created the Corporation for Travel Promotion, was signed into law in 2010 in order to help the U.S. capture a greater share of the global travel market. Once it is implemented, the entity will have a budget of up to \$200 million, with half of the funding coming from the private sector and no cost to U.S. taxpayers. The program will be responsible for using advertising and other marketing tactics to help increase visitor spending in the U.S.

Travel and tourism is one of the world's largest and fastest growing industries. Over the next 10 years, travel and tourism's total contribution to global GDP is forecast to rise to \$9.2 trillion, bringing with it 65 million new jobs. By 2021, travel and tourism will be responsible for one in 10 jobs, according to the World Travel and Tourism Council. Within the United States, travel and tourism is currently the nation's largest services sector export, representing 25 percent of service exports and 7 percent of all U.S. exports.

The Corporation for Travel Promotion is a non-profit corporation created by Congress for the purpose of promoting foreign leisure, business and scholarly travel to the United States and maximizing the economic and social benefits of that travel for communities across the country. For more information about the Corporation for Travel Promotion, please visit www.CorporationForTravelPromotion.com.

Airline Group Sees 1.5 Pct. Rise in Summer Travel

An airline industry trade group says that even with higher fares, more people will fly this summer than last year, especially overseas. The Air Transport Association said Monday that it expects 206 million passengers will travel on U.S. airlines in June, July and August, a 1.5 percent increase over the same months in 2010.

If the forecast is right, travel will remain below pre-recession levels. In 2007, U.S. airlines carried a record 217 million summer travelers. The airline trade group expects minimal growth in domestic travel this summer, but a record 26.3 million passengers on international flights operated by U.S. airlines, topping 2010's 25.8 million. The group said that's partly due to stronger economies outside the U.S. And, while driving is an option for summer trips in this country, Americans must fly to get to Europe or Asia.

Airlines have raised fares more than a half-dozen times this year to cover a 30 percent increase in fuel prices. The average round-trip domestic fare last summer was \$340, according to government figures. It could be \$375 or more this summer if fares rise again as much as they did last summer. That's not counting fees passengers might pay for checked bags, roomier seats and the other items.

Some airline executives have publicly wondered how much more consumers can take. John Heimlich, chief economist for the air-transport group, noted that passenger revenue rose in the first quarter, which he said indicated that people are still willing to travel, even at the higher fares.

But Helane Becker, an analyst with Dahlman Rose & Co., said since most leisure travelers book far in advance, the higher airfares forced some people to plan Memorial Day trips that don't involve flying.

U.S. airlines lost \$1 billion in the first quarter of this year. Still, if summer travel matches the forecasts, and if the recent drop in oil prices sticks, the airlines are likely to avoid a repeat of 2008, when record fuel prices spurred talk about which airlines were most likely to go bankrupt.

"We don't see the same level of panic," Heimlich said. "It's a smoother summer and sort of a feeling of, 'We've seen this before.'" (*Associated Press, May 16*)

PKF: US hotel profits grew 9.8% in 2010

After two years of declining profits, the average U.S. hotel enjoyed a 9.8% bottom line increase in 2010, according to a recently released report, *Trends in the Hotel Industry*, issued by PKF Hospitality Research. The gain, however, does not make up for the 37.9% cumulative loss experienced by U.S. hotels during 2008 and 2009.

While 70 percent of the properties in the Trends® sample enjoyed an increase in total revenue in 2010, only 60 percent were able to convert that into more money in the bank, indicating that the turnaround in industry performance has not occurred evenly across all sectors of the U.S. lodging industry.

According to the 2011 edition of Trends®, hotels in the highest room rate categories achieved the greatest increases in net operating income in 2010. Conversely, properties in the lowest rate categories either achieved minor increases in profit or suffered their third consecutive year of bottom line declines.

“The full-service properties in the Trends® sample typify this relationship between prices and profits,” Woodworth said. “Within the full-service category, those hotels in the lowest ADR category (less than \$100) saw just a slight 0.3 percent increase in profits in 2010. At the other end of the spectrum, upper-upscale and luxury hotels with an ADR greater than \$200 enjoyed a strong 33.0 percent gain in profit.”

Each year PKF-HR collects financial statements from thousands of hotel owners and operators across the U.S. for its Trends® in the Hotel Industry report. The 2011 Trends® report marks the 75th anniversary of this publication and provides industry benchmarks for 2010 unit-level revenues, expenses, and profits. For the purpose of this report, profits are defined as net operating income (NOI) before deductions for capital reserves, rent, interest, income taxes, depreciation, and amortization. (*HNN Newswire, May 17*)

U.S. Airlines Forecast Summer International-Travel Record

U.S. airlines expect to carry a record number of international travelers from June through August, helping soften the effect of higher fuel prices, the Air Transport Association said.

The 26.3 million international travelers forecast for the period would top last summer’s record of 25.8 million by 1.9 percent, the Washington-based association, which represents carriers including AMR Corp. (AMR)’s American Airlines and Delta Air Lines Inc. (DAL), said in a statement today. Total passenger count will rise 1.5 percent, the group estimated.

“The airlines don’t have the competition with the car or the bus when you’re talking about trans-oceanic travel,” John Heimlich, the association’s chief economist, said on a conference call. Lower unemployment rates outside the U.S. will help bolster travel to the country, he said.

The forecast shows carriers are optimistic about increasing demand even after raising surcharges and fares to counter higher fuel expenses. Association figures showed jet-fuel costs climbed 30 percent to \$11.4 billion in the first quarter from the same period a year earlier.

U.S. unemployment, which advanced to 9 percent in April, also hasn’t hurt business as much as the industry may have anticipated, according to Heimlich. “Both segments, the business and the leisure, have probably held up better than the airlines might have expected, given the relatively still high unemployment rates,” he said.

International visitors to the U.S. increased 3 percent in January, the 16th consecutive monthly increase, according to the U.S. Commerce Department, which posted the most recent data available on its Web site.

Visits from overseas increased 9 percent in January, excluding Canada and Mexico, according to the data. Air arrivals from Canada rose 7 percent, while air visits from Mexico increased 2 percent, according to the department.

U.S. airlines will carry 206.2 million passengers from June through August, up by 3 million from the same period in 2010, according to the association's forecast. Summer travel reached a record of 217.6 million in 2007. Major carriers have already trimmed capacity-growth plans for the year and more cuts could come because of fuel costs, Heimlich said. U.S. airlines' fuel tab for the year is forecast at \$52 billion, the second-highest after 2008's \$58 billion, Heimlich said.

"It's very hard to grow low-fare operations in particular at a time of rising and uncertain fuel prices," Heimlich said. "Just about every carrier has indicated they are open to further scalebacks should fuel prices rise again." (*Bloomberg May, 16; ATA Smart Briefs, May 17*)

AAA: 35 Million Traveling for Memorial Day

AAA is forecasting a 0.2 percent increase in the number of Americans who plan to take a trip of 50 miles or more this Memorial Day weekend, May 26 to 30.

That means 34.9 million Americans are expected to travel later this month versus the 34.8 million who traveled last year. According to the forecast, more than 714,500 Arizonans are projected to travel 50 or more miles from home. That number is essentially flat from a year ago.

However, the profile of the American traveler changed this year after retail gas prices jumped more than \$1 from last year. Travelers with household income of less than \$50,000 a year make up 31 percent of total travelers, down 10 percent from 2010, while those traveling with household incomes between \$50,000 and \$100,000 increased 6 percent. Travelers with an income of more than \$100,000 increased 5 percent.

"Last year, consumers started to make up for missed vacations and as a result, Memorial Day travel experienced a gain of more than seven percent," said Linda Gorman, director of communications and public affairs for AAA Arizona. "While we aren't projecting travel growth among Arizonans this holiday, we are retaining the travel recovery we experienced last year."

The average cost of a gallon of regular gas in Arizona is \$3.72, compared with \$2.85 a year ago.

While the number of families traveling this year scarcely changed, single-adult travelers decreased by 5 percent and two-adult parties increased by 3 percent. (*Phoenix Business Journal, May 19*)

Is US government doing enough to promote international tourism?

The US government at the highest level wants Americans to think they are doing all they can to promote international tourism. This week, the White House sought to reassure travel industry leaders that the United States cares about tourism and hopes to push the industry as the country recovers from a recession.

Valerie Jarrett, senior adviser to President Barack Obama, told executives at the Global Travel & Tourism Summit that the US wants to help make travel easy and safe, attract international visitors and spur business. "All of these investments stem from a single belief: If it's easier to travel through the United States, more people will choose to do so," Jarrett said.

That is exactly what the United States Travel Association is trying to promote. They want the federal government to ease travel restrictions on visas and make other moves to attract more

international visitors. After 9-11, the United States instituted requirements that every visa applicant be interviewed in person by a consular level officer. USTA also proposed hiring 400 more consular interviewers, allowing interviews to be done by videoconference, and exploring visa waivers with other countries.

There are skeptics who say the US government is only moving slowly towards the goal of international tourism. But Jarrett says the government is making specific efforts to process tourist visas for international travelers. She said the State Department hired 700 new officers in 2010 and created about 100 consular positions overseas since 2007.

Three countries that are particularly critical to any such efforts: China, Brazil and India, which are all poised to fuel an explosion in international tourism in the coming years, according to industry sources.

In a USTA report, leaders said the United States could help to double exports within five years and create 1.3 million new jobs by 2020 by increasing the number of foreign visitors to the country. (*Travel Mole, May 19*)

Showcase Your Byway's Best Towns With The Best Of The Road® Contest From Rand McNally & USA Today!

As part of our ongoing public awareness initiatives, America's Byways Resource Center encourages you to participate in Best of the Road®—a contest hosted by Rand McNally, in conjunction with USA Today.

Best of the Road® is looking for the best small towns in America, for five categories: Most Beautiful, Most Patriotic, Friendliest, Most Fun, or Best for Food.

It's Easy (And Free) To Enter

1. Write a review and submit your vote at www.bestoftheroad.com. Remember to mention that you are part of the America's Byway collection.
2. Share your vote on Facebook and Twitter.
3. Invite your byway volunteers, neighbors, friends, and visitors to vote, too.

If your byway's small town is chosen as a finalist, it becomes a stop on the Road Rally—the ultimate cross-country tour from New York City to Los Angeles for five teams competing to find the very best of the finalist towns in just three weeks.

Finalist towns should be prepared to impress their visiting Road Rally teams. Organize a parade, throw a party, or offer tours to land a spot in the 2013 Rand McNally Road Atlas. Remember to vote for your byway community by **May 30**. To learn more about the Best of the Road® and the Road Rally, visit www.bestoftheroad.com.

Visit www.ArizonaGuide.com to find information on all the exciting [events, festivals and activities](#) held throughout the Grand Canyon State!

Connect with the Arizona Office of Tourism!

Become a fan on Facebook! <http://www.facebook.com/arizonatravel>

Follow us on Twitter! <http://twitter.com/ArizonaTourism>